



Hybrid Experiences Bring Direct Mail Into The Digital Age

How Personalized, Targeted, And Orchestrated Direct Mail Experiences Help Marketers Overcome Digital Fatigue And Forge Deep Customer Engagement

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Customer Attention Should Be Treated As The Precious Commodity It Is

Today, B2B marketers have more digital means and opportunities to engage their customers, but few use these to create the right impact. Indeed, marketers' overuse of digital touchpoints, including emails that get ignored, phone calls that lie forever at the bottom of a voicemail inbox, and banner ads that fail to register an eye flicker, have trained B2B buyers to duck and cover when marketers reach out, rather than lean in and engage.¹

For too long marketers viewed customer attention as a cheap, exploitable resource, leading to a customer attention deficit. Direct or physical mail (e.g., postcards, letters, and/or parcels) sent at the right time to the right recipient with the right message is often overlooked, yet it lets marketers break through the digital din — especially when delivered via hybrid experiences that blend the engagement of direct mail with the measurability and orchestration of digital tactics.

Key Findings



Digital fatigue drives marketers to increase spend on direct mail. Analog direct mail experiences help campaigns stand out from overused digital touchpoints, leading to increased marketer investment.



Strategies must evolve with the channel. Most don't recognize the availability or value of modern hybrid platforms that marry the best of digital and physical, and make direct mail even more effective.



Personalization is a critical component of modern direct mail. Getting it wrong harms the business. Hybrid experiences are the solution to making direct mail more engaging and measurable.

Marketers Recognize That Direct Mail Can Counter Digital Engagement Problems

Buyers have limited attention to spend on marketing messages, making it harder than ever for B2B marketers to connect with customers and prospects. The rush to digitization arising from the COVID-19 pandemic has accelerated digital burnout, rather than slowing it. The marketers surveyed for this study realize these forces are at play and see direct mail as a key tactic that can help them navigate this trend.

This digital burnout scenario resonates with more than three-quarters of the respondents — 80% recognize that the pandemic has increased their reliance on digital touchpoints, while at the same time, 76% agree that engagement with digital tactics is dropping, and 78% believe analog touchpoints have seen a performance boost during the same time. They recognize the engagement potential of direct mail, too, as 81% admitted they personally are very likely to open a package they receive for work.

B2B Marketers Are Facing A Digital Dilemma With Their Audiences

● Strongly agree ● Agree

When I receive a package while at work or for a work context, I am very likely to open it.



The pandemic has caused my organization to increase its reliance on/investment in digital marketing touchpoints.



Our analog touchpoints (e.g., direct mail) have been performing better for our organization than they had a year ago.



Our buyers are less likely to engage (e.g., open, click, reply) with our digital marketing touchpoints than they were a year ago.



Direct Mail Drives Customer Engagement Across The Buyer Journey

Direct mail has many advantages but that doesn't make it a perfect solution to all digital marketing woes. It works best when applied as one part of an organizations' overall marketing strategy, complementing and amplifying other digital and human touchpoints in the buyer journey.²

The marketers in this study, all of whom currently use direct mail in their marketing, say they currently apply this analog tactic across every stage of the customer lifecycle. This includes from early product or service discovery (72%) to the point of conversion (63%), and through customer engagement and enrichment (54%) to help foster deeper brand relationships and encourage customer advocacy.

Direct Mail Improves Efficiency And Effectiveness Of Use Cases Across Customer Lifecycle



Customer success

- Customer welcome
- Business milestones
- Life events

Marketing

- Live events
- First meetings
- Influencer engagement

Sales

- First meetings
- Cold opportunities
- Deal acceleration

Marketers Will Continue To Boost Direct Mail Investment

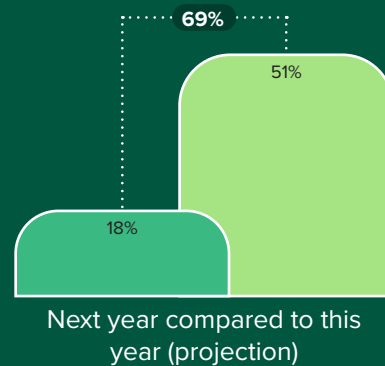
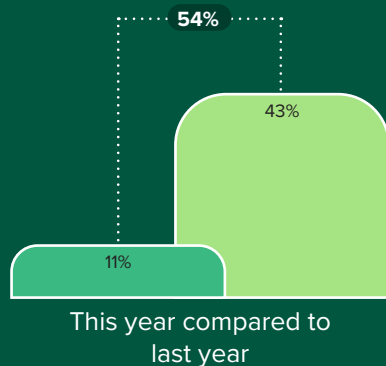
Its ability to counter digital burnout and its usefulness across the entire buyers' journey make direct mail a valuable marketing tactic, so it's no great surprise that survey respondents say they plan to grow their investment in this channel. More than half report having increased their spend in direct mail this year compared with last, including 11% who saw an increase of 20% or more for this line item. Furthermore, the rate of investment is set to rise again next year, as 69% report plans to increase direct mail spending in 2023, including 18% who are expecting a substantial increase of 20% or more. That works out to a 27% boost in the rate at which marketers plan to increase direct mail budgets through 2023.



While 54% increased direct mail spend this year, 69% expect to spend more next year — a 27% year-over-year rise.

“How is your organization’s spend on direct mail changing year to year?”

- Substantial increase (by 20% or more)
- Increase (by less than 20%)



+27% YoY

Most Marketers Missed Direct Mail's Entry Into The Digital Age

Despite the promise and performance of direct mail, many marketers still think of the channel as a stodgy, outdated marketing tactic that can be difficult to reconcile with modern omnichannel strategies. For example, 80% of respondents' organizations increased spend on digital channels due to the pandemic, even though their customers are less likely to engage with them. Why? Eighty-one percent say they focus on digital touchpoints because they see these as more measurable and optimizable than physical, while 85% say that reducing barriers to creating differentiated mail campaigns would encourage them to use the channel more.

However, this simply isn't how direct mail works anymore. Most solutions run on software-as-a-service (SaaS) platforms capable of launching a single, customized physical mailer at a moment's notice to meet the unique needs of both recipients and senders.³

Many Marketers Aren't Aware Of Modern Direct Mail Capabilities

● Strongly agree ● Agree

We would use direct mail for more of our marketing if delivering engaging, differentiated campaigns was less cumbersome or difficult.



We prioritize digital marketing touchpoints because they are measurable and optimizable.



The pandemic has caused my organization to increase its reliance on/investment in digital marketing touchpoints.



We would use direct mail for more of our marketing if delivering engaging, differentiated campaigns were less cost prohibitive.



Marketers Struggle To Personalize Direct Mail And Unlock Its Full Potential

Personalization, the act of delivering a relevant message that has value to the right person at the right time and place, is no longer simply nice to have, but a B2B marketing necessity.⁴ Yet, as B2B marketers know, its deceptively simple charter belies a complicated set of processes and capabilities required to execute it effectively.

Our study found many marketers aren't aware that personalizing direct mail is a possibility. Just 17% of respondents say they personalize their campaigns — but why? Over half lack the ability to use customer data systems for direct mail, while 50% believe that measurability and optimization are purely digital capabilities and at least 40% are either unaware it's possible, believe it would be prohibitively expensive, or would struggle to align direct mail to other personalization initiatives. Many also say they lack the technology or skills required to run it successfully.

FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY PFL | APRIL 2022

“You mentioned your organization doesn’t create personalized experiences in direct mail campaigns. Which of the following statements reflect why that is?”

Our customer data systems aren’t compatible with direct mail.

54%

We prefer the measurability and optimization of digital touchpoints.

50%

We weren’t aware personalizing direct mail was possible.

47%

It would be too expensive to deliver personalized direct mail at scale.

44%

We aren’t able to effectively include or orchestrate direct mail with our other personalized marketing experiences.

40%

We don’t have the technology we need to personalize direct mail.

38%

We don’t have the internal skills needed to personalize direct mail.

35%

Base: 131 North American B2B decision-makers that are manager level or higher in marketing who do not use personalized direct mail marketing
Source: A commissioned study conducted by Forrester Consulting on behalf of PFL Direct Mail, January 2022

Marketers Must Overcome Personalization And Direct Mail Adoption Challenges

Marketers who want to meet customer expectations for highly engaging, contextually relevant experiences must overcome challenges with direct mail and its personalization. This requires negating the downsides of poor or clumsy personalization. More than 90% of respondents cited at least one negative impact resulting from poor personalization and failing to adopt direct mail fully.

Marketers see increased customer opt outs, wasted spend, and inability to measure campaign ROI as the result of poor personalization. They associate lackluster direct mail execution with possibly damaging customer relationships, an inability to understand how marketing experiences impact customers, and downward pressure on customer lifetime value (CLV).

Leaders believe lacking personalization and direct mail harms marketing programs and customer outcomes.



“What do you believe happens when an organization delivers clumsy or poor personalized experiences to their customers?”

Buyers would opt out of further communications from us

46%

Wasted marketing spend

43%

Inability to demonstrate ROI of major campaigns or programs such as events

43%

“What about the impact of not using physical mail for marketing and customer engagement?”

Damaging customer relationships/offending customers

41%

Inability to understand if our marketing experiences are working

40%

Lower customer lifetime value (CLV)

35%

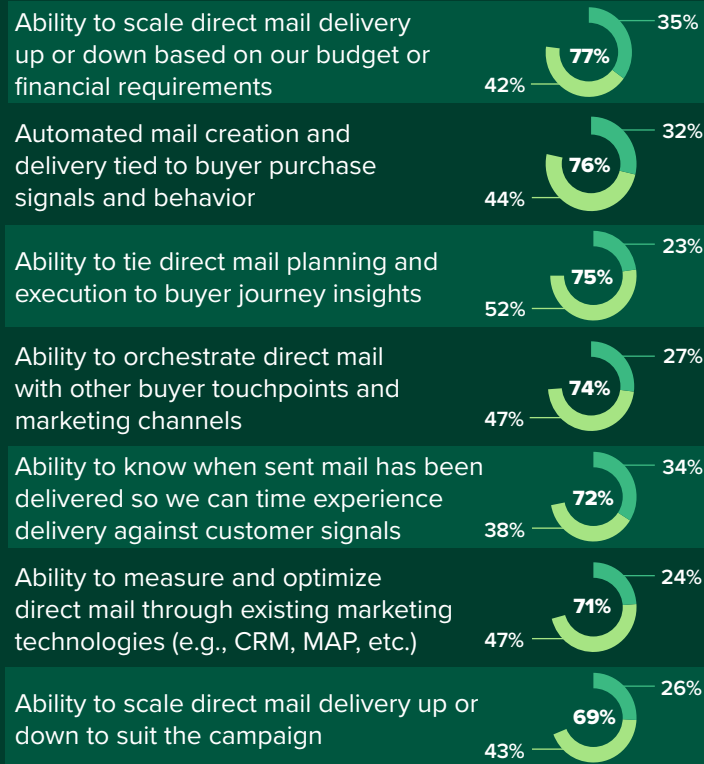
The Value Of Hybrid Mail Experiences

Modern, SaaS-based direct mail platforms marry the measurement, orchestration, and optimization traditionally associated with digital marketing with the analog engagement that direct mail can deliver. This lets marketers deploy direct mail as a deliberate, dimensional, and digitally integrated tactic.⁵

Survey respondents are very receptive to the benefits that hybrid mail experiences can deliver. In terms of capabilities, they see the ability to scale mail delivery up or down based on budget (77%); automating mail creation and delivery based on buyer purchase signals (76%); and the ability to plan and execute direct mail campaigns based on buyer journey insights (75%) as most valuable. More than 70% would value the ability to orchestrate direct mail with other buyer touchpoints, time mail delivery to match buying signals, and measure and optimize direct mail using their current marketing technology stack.

“How valuable would each of the following direct mail capabilities be for your organization?”

● Highly valuable ● Valuable

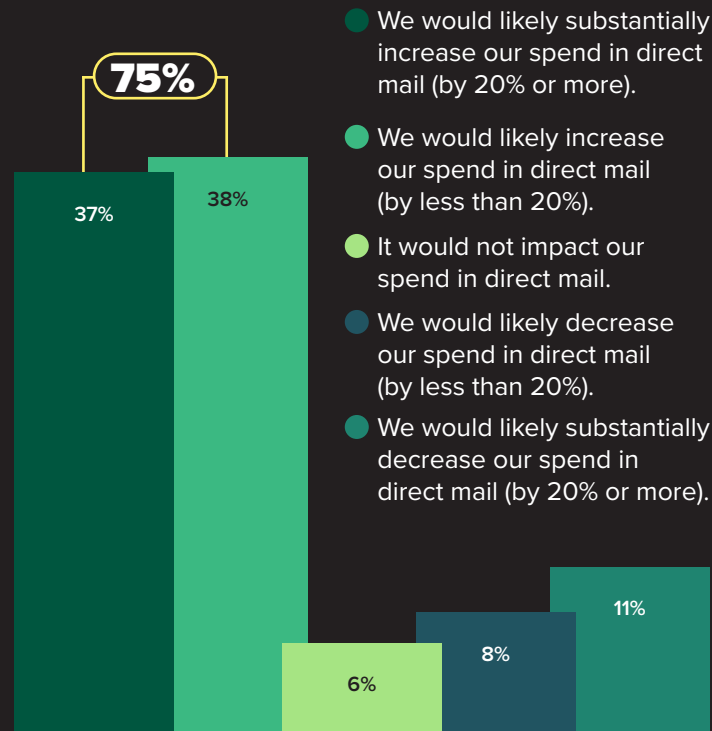


Hybrid Experiences Unlock Direct Mail Opportunities And Marketers' Investment

Modern hybrid experiences turn direct mail into a sophisticated, valuable marketing tactic — one that helps marketers deliver buyer experiences that use customer understanding to frame, guide, and enhance interactions based on that person's history, preferences, context, and intent. The flexibility to scale with demand, measure and optimize performance, and orchestrate direct mail with other marketing touchpoints unlocks more effective and impactful analog marketing experiences.

Hybrid experiences also make marketers' investment in direct mail more productive. Three-quarters of survey respondents say the availability of hybrid experiences would lead them to increase their investment in direct mail, and 37% say they would substantially increase their direct mail spend by 20% or more if they could use that investment to execute hybrid direct mail.

“If your organization were able to execute hybrid experiences in direct mail today, what impact would it have on your direct mail spend?”



Conclusion

Modern, hybrid experiences give marketers the power to align direct mail with digital touchpoints to create personalized, scalable, and well-orchestrated marketing experiences. To get there, marketers require solutions that:

- **Integrate into existing solutions and workflows.** Fitting easily into the marketing stack, including CRM and marketing automation tools, enables the execution, orchestration, and optimization needed to deliver successful direct mail campaigns.
- **Generate digital breadcrumbs for measurement and attribution.** Tools that capture engagement and use performance data help brands connect the dots across the buying cycle.
- **Allow marketers to focus on strategy.** Automating execution lets marketers focus less on production and mailing concerns and more on creating highly engaging marketing experiences.

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Forrester's B2B Marketing
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Methodology

This Opportunity Snapshot was commissioned by PFL. To create this profile, Forrester Consulting supplemented its research with custom survey questions asked of 158 B2B marketing leaders. The custom survey began and was completed in January 2022.

ENDNOTES

¹ Source: "Direct Mail Captures The Attention Of Buyers Overwhelmed By Digital Tactics," Forrester Research, Inc., March 12, 2019.

² Ibid.

³ Ibid.

⁴ Source: "Put B2B Personalization In Context," Forrester Research, Inc., December 31, 2021.

⁵ Source: "Direct Mail Captures The Attention Of Buyers Overwhelmed By Digital Tactics," Forrester Research, Inc., March 12, 2019.

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Demographics

GEOGRAPHY

US	86%
Canada	14%

COMPANY SIZE (EMPLOYEES)

1,000 to 2,499	57%
2,500 to 4,999	27%
5,000 to 19,999	13%
20,000 or more	3%

DEPARTMENT

Marketing/advertising	100%
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MARKET PRESENCE

Sell only B2B	84%
Sell B2B and B2C	16%

MARTECH RESPONSIBILITY

Final decision-maker	3%
Part of team deciding	46%
Influences decisions	46%



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